

AMENDMENT OF THE TRANSPORTATION ACT OF 1920.

JANUARY 26, 1921.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. WINSLOW, from the Committee on Interstate and Foreign Commerce, submitted the following

REPORT.

[To accompany H. R. 15836.]

The Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 15836) to amend the transportation act, 1920, having considered the same, report thereon with a recommendation that it pass.

The purpose of the bill is to authorize the Interstate Commerce Commission to certify partial payments to carriers under sections 204 and 209 of the transportation act, 1920, the Comptroller of the Treasury having ruled that such sections authorizes only one final payment.

The transportation act, 1920, in section 209, provided a guaranty to certain railroads and to the American Railway Express Co., during the six months immediately following the termination of Federal control. Having laid down certain rules under which the guaranty was to be computed, the section directed the Interstate Commerce Commission, as soon as practicable after the expiration of the guaranty period, to ascertain and certify to the Secretary of the Treasury the amounts necessary to make good the guaranty to each carrier, and the Secretary of the Treasury was directed to draw warrants for the amounts shown in the certificates. An appropriation was made of an amount sufficient to pay such warrants.

Section 204 of the same act provided that certain railroads, commonly known as "short-line" railroads, which were privately operated during a portion of the period of Federal control and which sustained a deficit in railway operating income for the period of such private operation, should be paid an amount which in general terms was to be equal to the excess of such deficit over the average deficit during the period of three years ending June 30, 1917. The section also contained similar provisions as to certification by the Interstate Com-

merce Commission, drawing of warrants by the Secretary of the Treasury, and payment of such warrants out of an appropriation made.

The commission, acting on the belief that these sections authorized it to make certificates for amounts definitely ascertained by it to be due even though it might not at the time be able to determine the whole amount due, made such certificates, but the Comptroller of the Treasury has ruled (27 Comp. Dec., 331, 384) that sections 204 and 209 authorize only one certificate in the case of each carrier, which certificate must be for the entire amount due the carrier. A test case was brought in the Supreme Court of the District of Columbia on behalf of a carrier in whose favor the Secretary of the Treasury, under the above ruling of the comptroller, had refused to issue a warrant in payment of a certificate by the commission, which certificate stated that the amount certified had been definitely ascertained to be due, but that on further accounting further amounts might be found due. The court denied a petition for mandamus, upholding the ruling of the comptroller. The case has been appealed to the Court of Appeals of the District, where it is now pending.

Regardless of the question whether or not the ruling of the comptroller and the decision of the Supreme Court of the District of Columbia are in accordance with the terms of the law, there is no question in the minds of your committee (which held full hearings on the subject, at which were heard representatives of the carriers and of the Interstate Commerce Commission, and various individuals representing business interests) that the transportation act should be so amended as clearly to authorize the commission to make certificates in partial payment. If the commission definitely ascertains that a certain amount is due under existing law, no reason is apparent why the payment of such amount should be deferred until a final settlement of all disputed items is arrived at.

Accordingly the bill, the passage of which the committee now recommends, provides that the commission, if not at the time able finally to determine the whole amount due under section 204 or section 209 may make its certificate for any amount definitely ascertained to be due and may thereafter in the same manner make further certificates until the whole amount due has been certified. In order to clarify the bookkeeping processes involved in this payment the bill provides for the allocation among the appropriations already made by these sections of the transportation act of the partial payment warrants authorized by this bill.

The bill also authorizes the commission whenever in its judgment practicable to make a reasonable estimate of the net effect of any deferred debits and credits which can not at the time be definitely determined. When agreed to by the claimant such estimates may be used as a definitely ascertained amount which the commission is authorized to certify for payment, but such estimates so agreed upon are to be binding in final settlement. The principal class of cases covered by this provision are items for loss and damage claims and overcharge claims, which it is impossible to compute with exactness until the courts have settled the liability of the parties.

The testimony of witnesses before the committee represented very generally the railroads, the American Railway Express Co., and miscellaneous railway supply houses.

They all emphasized most forcibly the absolute need for such legislation as is proposed in this bill. They made it very clear that not only were their institutions unable to meet their proper running expenses and maintenance charges, to say nothing of paying their bills, long overdue, or undertaking to make necessary repairs or to provide for any development in order that they may keep up with the need for transportation facilities. It was testified generally that they were unable either to sell new securities or to borrow money temporarily, because of the already too great extension of their credit, on account of which banks and other creditors are demanding payments which the carriers are unable to make. Not only is this condition of affairs working against their day-to-day efficiency, but it is also resulting in the unemployment of tens of thousands of operatives who might, if the Government would make payments on account, be immediately and wisely set to work.

The situation is so apparently unbusinesslike as to demand a correction of the present Government method of paying its indebtedness to the carriers, etc.

The original bill (H. R. 15551) was proposed for the purpose of insuring partial payments and was submitted to the Interstate Commerce Commission for a statement of its views thereon. The following letter was received in answer:

INTERSTATE COMMERCE COMMISSION,
Washington, January 11, 1921.

Hon. JOHN J. ESCH,
*Chairman Committee on Interstate and Foreign Commerce,
House of Representatives.*

DEAR SIR: With your letter of the 8th instant you transmitted copy of H. R. 15551, with request for report thereon. This has been considered, and I am authorized to say that the commission is in full sympathy with the purpose of this bill. It is of opinion that conditions and the financial situation are such as to make it highly desirable that the carriers shall have as promptly as is possible the amounts due them under the guaranty provisions of the transportation act. It is physically impossible to, within a reasonably short time, make final certificates for all of the carriers, and in the meantime it seems appropriate that partial payments should be made in so far as same can be properly certified.

The language of the bill seems apt to carry this purpose into effect. We make free, however, to suggest that the words "and the Comptroller of the Treasury is hereby directed to countersign the same forthwith," found in lines 9 and 10 on page 2 and in lines 24 and 25 on page 3, are unusual, and assuming, as we do, that the comptroller will perform his duties conscientiously and in accord with law, these words seem unnecessary.

Attention is invited to comment on pages 28 and 29 of our last annual report with respect to guaranty of income after termination of Federal control and to our recommendation concerning partial payments appearing on page 77 of the report.

Yours, very truly,

EDGAR E. CLARK, *Chairman.*

For the purpose of condensation and to eliminate from the legislation certain words, as suggested by the Interstate Commerce Commission, the bill (H. R. 15836), to which this report refers, was considered and ordered to be reported out by the committee. The provisions of the present bill (H. R. 15836) are not materially different as to its purposes from those of bill H. R. 15551, to which the letter of the Interstate Commerce Commission was in reply.

VIEWS OF THE MINORITY.

The purpose of the bill, as appears to the minority, is to so amend the transportation act of 1920 as to add to the benefits of the carriers far beyond what the act provides for on its face, and far beyond what was contemplated by the Congress, or asked by the carriers at any time when the hearings were held by the Senate and House committees pending the consideration of the legislation providing for the return of the railroads to private ownership and operation.

Paragraphs (g), (h), and (i) of section 209 of the transportation act of 1920 read as follows:

(g) The commission shall, as soon as practicable after the expiration of the guaranty period, ascertain and certify to the Secretary of the Treasury the several amounts necessary to make good the foregoing guaranty to each carrier. The Secretary of the Treasury is hereby authorized and directed thereupon to draw warrants in favor of each such carrier upon the Treasury of the United States for the amount shown in such certificate as necessary to make good such guaranty. An amount sufficient to pay such warrants is hereby appropriated out of any money in the Treasury not otherwise appropriated.

(h) Upon application of any carrier to the commission, asking that during the guaranty period there may be advanced to it from time to time such sums, not in excess of the estimated amount necessary to make good the guaranty, as are necessary to enable it to meet its fixed charges and operating expenses, the commission may certify to the Secretary of the Treasury the amount of, and times at which, such advances, if any, shall be made. The Secretary of the Treasury, on receipt of such certificate, is authorized and directed to make the advances in the amounts and at the times specified in the certificate, upon the execution by the carrier of a contract, secured in such manner as the Secretary may determine, that upon final determination of the amount of the guaranty provided for by this section such carrier will repay to the United States any amounts which it has received from such advances in excess of the guaranty, with interest at the rate of 6 per cent per annum from the time such excess was paid. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum sufficient to enable the Secretary of the Treasury to make the advances referred to in this subdivision.

(i) If the American Railway Express Co. shall, on or before March 15, 1920, file with the commission a written statement that it accepts all the provisions of this subdivision, the contract of June 26, 1918, between such company and the Director General of Railroads, as amended and continued by agreement dated November 21, 1918, shall remain in full force and effect during the guaranty period in so far as the same constitutes a guaranty on the part of the United States to such company against a deficit in operating income.

In computing operating income, and any deficit therein, for the guaranty period for the purposes of this subdivision, the commission shall require the elimination and restatement of the operating expenses and revenues for the guaranty period, to the extent necessary to correct and exclude any disproportionate or unreasonable charge to such expenses or revenues for such period, or any charge to such expenses or revenues for such period which under a proper system of accounting is attributable to another period, and to exclude from operating expenses so much of the charge for payment for express privileges to carriers on whose lines the express traffic is carried as is in excess of 50.25 per cent of gross express revenue.

For the guaranty period the American Railway Express Co. shall pay to every carrier which accepts the provisions of this section, as provided in subdivision (b) hereof, 50.25 per cent of the gross revenue earned on the transportation of all its express traffic on the carrier's lines, and every such carrier shall accept from the American Railway Express Co. such percentage of the gross revenue as its compensation. In arriving at the gross revenue on through or joint express traffic, the method of dividing the revenue between the carriers shall be that agreed upon between the carriers and such express company and approved by the commission.

If for the guaranty period as a whole the American Railway Express Co. does not have a deficit in operating income, it shall forthwith pay the amount of its operating income for such period into the Treasury of the United States. The amount so paid shall be added to the funds made available under section 202 for the purposes indicated in such section.

The commission shall, as soon as practicable after the expiration of the guaranty period, certify to the Secretary of the Treasury the amount necessary to make good the foregoing guaranty to the American Railway Express Co. The Secretary of the Treasury is hereby authorized and directed thereupon to draw warrants in favor of such company upon the Treasury of the United States for the amount shown in such certificate as necessary to make good such guaranty. An amount sufficient to pay such warrants is hereby appropriated out of any money in the Treasury not otherwise appropriated.

Upon application of the American Railway Express Co. to the commission, asking that during the guaranty period there may be advanced to it from time to time such sums, not in excess of the estimated amount necessary to make good the guaranty, as are necessary to enable it to meet its operating expenses, the commission may certify to the Secretary of the Treasury the amount of, and times at which, such advances, if any, shall be made. The Secretary of the Treasury, on receipt of such certificate, is authorized and directed to make the advances in the amounts and at the times specified in the certificate, upon the execution by such company of a contract, secured in such manner as the Secretary may determine, that upon final determination of the amount of the guaranty provided for by this subdivision such company will repay to the United States any amounts which it has received from such advances in excess of the guaranty, with interest at the rate of 6 per cent per annum from the time such excess was paid. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum sufficient to enable the Secretary of the Treasury to make the advances referred to in this subdivision.

In paragraph (g) of section 209 of the transportation act it is clearly, specifically, and definitely stated that "the commission shall, as soon as practicable after the expiration of the guaranty period, ascertain and certify to the Secretary of the Treasury the several amounts necessary to make good the foregoing guaranty to each carrier."

There can be no shadow of a doubt that this language did not authorize or empower the commission to do anything provided for in paragraph (g) until after the expiration of the guaranty period. But in paragraph (h), following paragraph (g), it is provided that—

Upon application of any carrier to the commission, asking that during the guaranty period there may be advanced to it from time to time such sums, not in excess of the estimated amount necessary to make good the guaranty, as are necessary to enable it to meet its fixed charges and operating expenses, the commission may certify to the Secretary of the Treasury the amount of, and times at which, such advances, if any, shall be made.

The advances provided for were to be made during the guaranty period to enable the railroads to meet fixed charges and operating expenses, and for no other purpose. Even when so limited and restricted in order to save the Government from possible losses by reason of such advances, the carriers were required to indemnify the Government by giving such security as the Secretary of the Treasury might determine to repay the Government any amounts so advanced in excess of what might be due it under the guaranty, with interest at 6 per cent from the time such excess was paid. These advances were in no respect a payment on guaranty account. They were in fact loans permitted to be made by the Secretary of the Treasury for a particular and specific purpose. There is no more reason why the Government should at this time make partial payments on the guaranteed subsidy balance than there was during the guaranty period not also limited by the restrictions and conditions applicable to advances provided for during the guaranty period; to wit, to enable the carrier to "meet fixed charges and operating expenses." No such restriction or limitation is provided for in the bill (H. R. 15836).

The bill provides for full payment of so much of the guaranty claim as the commission may determine will be due finally on

guaranty account, after allowing for credits or deductions that may yet be found against the carriers subject to set-off by the Government against guaranty payments to the carriers. It appears from the testimony of those representing the carriers that they want the money to enable them to pay any and all kinds of demands, even for the payment of dividends. The reasons and arguments presented at the time the transportation act was under consideration, for which the six months guaranty was asked, were that the existing war-made rates, although to be continued, were not sufficient to meet the necessary requirements of the carriers, prior to giving them increased rates and fares, and that it would in all probability require six months to enable the Interstate Commerce Commission to hold necessary hearings and provide for such increased fares and rates as were authorized by the new act. For this reason, and this reason only, the guaranty subsidy was authorized to begin with private operation and to continue for six months. The guaranty subsidy was not based upon any Government service to be rendered by the carriers during the six months period. Being in fact and in effect a pure gratuity, no legal or moral obligation exists that requires that the transportation act should at this late date be so amended as to materially increase the burdens of the taxpayers in order to relieve the carriers from paying interest on borrowed money by thus hastening the payment of an absolute gratuity before the Interstate Commerce Commission can have time to ascertain the amounts payable to each carrier as provided by paragraph (g) of section 209 of the transportation act. No contractual relation exists. The Government made no offer of this guaranty as an inducement to the carriers to resume operation of their respective properties.

No property right exists in favor of the carriers, as they were not required to perform any service of any character, or make any sacrifice, or incur any expense in behalf of the Government in consideration of the guaranty. This guaranty provision of the transportation act can be repealed; and if repealed, no carrier would have any legal or enforceable cause of action against the Government on account of such repeal.

At the time the transportation act was passed and Government operation of the railroads ceased every product of the farm was double in market value that it is now. Thus the burden of this gratuity has been doubled. But, notwithstanding this fact, the carriers now ask Congress to amend the law advancing the date of payment of this gratuity so as to require it to be paid at a time when it is impossible for the farmers and producers of the Nation to receive even the out-of-pocket costs to them of their products, which will have to be sold at any price in order to pay the taxes necessary to be paid in order to comply with the unjust provisions of this bill.

Both paragraphs (g) and (h) of section 209, sought to be amended and changed by this bill, are perfectly clear and express the will of Congress as simply and as distinctly as words can express any legislative purpose. Paragraph (g) provides that the commission shall "As soon as practicable after the expiration of the guaranty period" proceed to ascertain and certify the amounts necessary to make good the guaranty to each carrier. The language of this paragraph, which covers the whole ground touching the amount of the guaranty and

when it was to be ascertained, is full, complete, and explicit, and can not be misconstrued or misinterpreted. Under this paragraph the commission could not do anything in the way of ascertaining the amount of guaranty due any carrier, having applied as required for the benefits of same, until after the full and complete expiration of the entire six months guaranty period. This paragraph was not in any sense changed, altered, or modified by paragraph (h). Paragraph (h) deals only with permissible advances to carriers to be made during the guaranty period upon definite and explicit conditions set out fully in said paragraph. In substance paragraph (h) simply provides that the commission may (not shall) certify to the Secretary of the Treasury, during (not after) the guaranty period, from time to time, such sums, not in excess of the estimated amount necessary to cover the guaranty, as are necessary to enable it (the applying carrier) to meet its fixed charges and operating expenses. Not one cent could be certified as a payment on the guaranty as such, but only a sufficient amount to enable the carrier to pay fixed charges and operating expenses of the carrier during the guaranty period, regardless of anything that was or was not to be ultimately paid to the carrier as guaranty gratuity provided for in paragraph (g), except that it was not to be in excess of the estimated amount of the sum necessary to make good the guaranty.

Under paragraph (h) if the commission had found that the amount sought as an advance was not equal to 10 per cent of the estimated guaranty that would have to be ultimately paid to the applying carrier, the commission could not make the certification in behalf of the carrier unless it also found and certified the further fact that the amount of the advance asked for was necessary to enable the carrier to meet its "fixed charges and operating expenses." Upon such a certificate by the commission the Secretary of the Treasury was required to make the advances as certified upon the execution by the carrier of a contract, secured in such manner as the Secretary might determine, that upon final determination of the amount of the guaranty provided for by the same section that the said carrier would repay to the United States any amount so advanced in excess of the guaranty sum that would finally be certified as due said carrier, with interest at 6 per cent, on such excess from the time such excess was paid to said carrier. There is absolutely nothing in the section or any paragraph of same to indicate that such advance was to be made to any carrier except during the guaranty period, and then only when certified by the commission that such advance was necessary to enable the carrier to meet fixed charges and operating expenses.

With this exception there is nothing in the entire transportation act that either authorizes or permits the payment of any amount whatever in part payment of the guaranty until a final, full, and complete certificate can be made by the commission as to the final, full, and complete amount payable to the carrier on account of the guaranty gratuity.

Now, why should the transportation act be changed five months after the increased rates went into effect on the 26th of August, 1920, simply to enable the carriers to reach down into the empty Treasury of the United States and take money out of it ahead of the time provided in the original act and in contravention of the plain meaning and purpose of the act? The great, generous taxpaying public has

no paid agents and attorneys to represent them before commissions and legislative bodies, and if the elected and trusted representatives of the tax-burdened people, who are Members of this House of Representatives, do not protect them from the grasp of corporate avarice and greed, then "radicalism" and "red flagism" will grow and increase with plutocratic "dollarism," so self-assertive at this time.

One of the most potent arguments made in favor of returning the railroads to private operation was to put an early end to the deficits in railway earnings that had to be met out of the United States Treasury in order to pay the railroads the amount of the standard return profits that had to be paid to them under the war-contract act.

During Government control rates had been increased only once by the Director General, and that only 25 per cent. During war control railway operations were, and had to be, made with no regard to profits or losses. But with the return of the carriers to private control, on March 1, 1920, nobody dreamed that during the six spring and summer months of that year that the deficit could possibly equal for a like period the deficit under Government control. But instead of realizing our hopes, we find that the railroads claim that they have made a deficit in six months of undisturbed private control almost equaling the entire deficit for the whole period of Government control, which was for four times as long a period and during the highest railway operating costs that ever confronted the country; with freight congestions, car-service jams, strikes, real and threatened, with the long coal strike during the same time, which brought railway transportation almost to a standstill. During all of which Government control period the owners of the carriers ran no risk and suffered no losses, being paid out of the United States Treasury a standard return of profits on their properties equaling the average of the three best years the carriers ever experienced. During Government control no expenses of any kind were incurred by the carriers. Let them tell the tax-paying public what has gone with all the profits in the way of standard returns received by them during the war control period, that they should now ask to further bleed the people to fill their coffers with unearned profits during the first six months of undisturbed private control.

The Government has already paid during the guaranty period to the applying carriers by way of advances provided for under paragraph (h) of section 209, the sum total of \$260,431,874, as shown by a letter from the Secretary of the Treasury bearing date January 13, 1921, addressed to Hon. John J. Esch, chairman of the Committee on Interstate and Foreign Commerce. This vast sum far exceeds the amount that any Member of the House or Senate or anyone else supposed or believed would have to be paid the carriers to cover or make good any deficit that would or could possibly be incurred during the guaranty period under honest and efficient management. But we are now confronted with the astounding claim that the deficit for the six months exceeds \$600,000,000. That such a deficit could arise during six months (all spring and summer months) with no strikes, no floods, no fires, no let-up in traffic, is so astonishing as to challenge our credulity. This sum is so stupendous that duty to the public demands a congressional investigation and report by a committee of the House of Representatives before another dollar is paid on the guaranty claims of the carriers. It is inconceivable that such

a sum could possibly accrue as a justifiable and unavoidable deficit under the favorable conditions prevailing from March 1, 1920, to September 1, 1920.

The said letter of the Secretary of the Treasury and exhibit thereto, showing the amounts paid carriers under paragraph (h) and the carriers by name receiving same is herewith filed as an exhibit to and made a part of this minority report.

T. W. SIMS.

THE SECRETARY OF THE TREASURY,
Washington, January 13, 1921.

MY DEAR CONGRESSMAN: I have received the invitation of the Committee on Interstate and Foreign Commerce of the House of Representatives to appear before it on the 14th instant to express my views concerning the bill (H. R. 15551) to amend and reenact subdivision (g) of section 204 and subdivision (g) of section 209 of the transportation act, 1920. I have analyzed the bill with care and, in order to spare the time of the committee at the hearing on Friday, I take the liberty of setting forth my views below:

In section 209 of the transportation act the United States guarantees that the railway operating income of certain carriers for the six months following the return of the roads to private control shall be equal to or shall not be less than amounts computed as provided in the section. The amount necessary to make good the guaranty is to be paid to the railroads out of the Public Treasury. This section also provides that if for the guaranty period as a whole the railway operating income of any one of certain carriers entitled to a guaranty is in excess of a certain amount, the carrier shall forthwith pay the excess into the Treasury of the United States. In response to a request of the Treasury for an estimate, the Interstate Commerce Commission has stated that, in its opinion, based upon the sworn monthly reports of class 1 carriers, the total amount necessary to make good the guaranty provided by section 209 will aggregate approximately \$600,000,000. In order that the carriers might have the benefit of the guaranty at once upon return of the roads to private ownership, paragraph (h) provided for the payment to the roads of advances on account of the guaranty upon giving of security as follows:

"Upon the application of any carrier to the commission, asking that during the guaranty period there may be advanced to it from time to time such sums, not in excess of the estimated amount necessary to make good the guaranty, as are necessary to enable it to meet its fixed charges and operating expenses, the commission may certify to the Secretary of the Treasury the amount of, and times at which, such advances, if any, shall be made. The Secretary of the Treasury, on receipt of such certificates, is authorized and directed to make the advances in the amounts and at the times specified in the certificates, upon the execution by the carrier of a contract, secured in such manner as the Secretary may determine, that upon final determination of the amount of the guaranty provided for by this section such carrier will repay to the United States any amounts which it has received from such advances in excess of the guaranty, with interest at the rate of 6 per cent per annum from the time such excess was paid. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum sufficient to enable the Secretary of the Treasury to make the advances referred to in this subdivision."

Under this paragraph advances have been made in the amount of \$260,431,874. A list of these by dates and amounts is inclosed. These payments were made in accordance with the Treasury's usual procedure, which has been in effect for many years under statutes of long standing. That is to say, the certificate of the Interstate Commerce Commission, together with the other papers required by paragraph (h), were sent to the proper auditor, who thereupon issued a settlement in favor of the carrier named in the certificate for the amount certified. Thereupon the Secretary of the Treasury issued a warrant and the Comptroller of the Treasury countersigned it and registered it. Thereafter the warrant was signed by the Treasurer of the United States, entered and delivered. The Treasury has not received from the commission any certificate certifying the total amount necessary to make good to a carrier the guaranty provided by section 209. The commission did, however, certify a partial payment to a carrier which had not, during the guaranty period, applied for an advance under paragraph (h). The Comptroller of the Treasury decided that section 209 did not authorize the Interstate Commerce Commission except in accordance with the provisions of paragraph (h) to certify partial payment and that, therefore, the Secre-

tary of the Treasury had not authority to issue a warrant for such a payment. Copies of the decisions, dated October 7, 1920, and November 27, 1920, are inclosed. A copy of the first may also be found on page 162 of the Annual Report of the Secretary of the Treasury for the fiscal year 1920. Pursuant to these decisions, the proper auditor made a settlement finding nothing due to the carrier. The Secretary of the Treasury, under statutes of long standing, was therefore powerless to issue a warrant. The carrier immediately sued in the Supreme Court of the District of Columbia for a writ of mandamus directing the Secretary of the Treasury to issue a warrant. The court ruled that the comptroller's construction of section 209 was correct and it denied the writ. A copy of the opinion of the chief justice is inclosed. The Comptroller of the Treasury has also decided that the Treasury is not authorized to issue a warrant pursuant to a certificate of the commission for an advance under paragraph (h) where the certificate was not made pursuant to an application filed before the end of the guaranty period. The Treasury understands that up to the present time few, if any, of the carriers have presented their final claims on account of the guaranty. In these circumstances the bill proposes to amend paragraph (g) of section 209, so that it shall read as follows:

"(g) The commission shall, as soon as practicable after the expiration of the guaranty period, ascertain and certify to the Secretary of the Treasury the several amounts necessary to make good the foregoing guaranty to each carrier. The Secretary of the Treasury is hereby authorized and directed thereupon to draw warrants in favor of each such carrier upon the Treasury of the United States for the amount shown in such certificate as necessary to make good such guaranty, it being the true intent and meaning hereof that whenever, and as often as, the commission shall certify to the Secretary of the Treasury an amount as certainly due and necessary to make good the foregoing guaranty to any such carrier, the Secretary of the Treasury is hereby authorized and directed, upon receipt of such certificate, to draw a warrant in favor of such carrier upon the Treasury of the United States for the amount shown in such certificate as an amount necessary to make good the foregoing guaranty, whether such amount is in final settlement or in partial payment, and the Comptroller of the Treasury is hereby directed to countersign the same forthwith. The Secretary of the Treasury shall thereupon deliver the said warrant to such carrier, and the Treasurer of the United States is hereby directed to pay the same, upon presentation, out of the appropriation made therefor in this subdivision. An amount sufficient to pay such warrant is hereby appropriated out of any money in the Treasury not otherwise appropriated.

"In ascertaining the several amounts necessary to make good the foregoing guaranty to each carrier the commission is further authorized, in the case of debits and credits to railway operating income which can not at the time be definitely determined, to make, whenever in its judgment practicable, a reasonable estimate of the net effect of any such items, and, when agreed to by the carrier interested, to use such estimate as a definitely ascertained amount in certifying the amounts due under the said guaranty and such estimates so agreed to shall be binding in final settlement."

Upon the policy of authorizing to be made to a class of claimants who announce their claims as being vast, but have not as yet committed themselves as to the amount, partial payments of public money to sustain them while they expend effort and money in the preparation and support of claims against the Government for losses sustained in their own management of their own property, I do not venture to express an opinion. This is a matter for Congress. If Congress shall decide that it is advisable to authorize relief of the carriers out of the Public Treasury pending a further period of formulation by them of claims against the Treasury under section 209, I believe the Government should receive protection not contained in the present draft of the bill, and that the end apparently sought by the bill can be accomplished without making in sound Treasury procedure, which rests upon old and well-known statutes, the changes which would result from the passage of the bill in its present form.

At the outset I wish to make it clear that the Treasury is now and at all times has been prepared promptly to disburse, so far as authorized by law, the funds necessary to meet the Government's obligation under the transportation act, 1920. In order to accommodate the carriers other pressing matters in the Treasury have been deferred and the administrative detail necessary to accomplishing payments to the roads hastened and given preference. Many payments have been made by telegraphic transfer. At great sacrifice of personal convenience the offices of the Solicitor of the Treasury, the Comptroller of the Treasury, the Treasurer of the United States, the Auditor for the State and Other Departments, the Division of Bookkeeping and Warrants, and my own office have frequently been kept open long past business hours and sometimes far into the night in order that a particular payment much desired by a railroad might be put through. It is, however, the belief of the Treasury that the amount of the Government's obligation to the carriers should be ascertained at the

earliest possible moment in order that the Treasury may know its problem and dispose of it. The Treasury has understood it to be the intention of Congress, as indicated by the transportation act, 1920, that a prompt disposal be made of all questions arising out of Federal control of the railroads and the guaranty, and the Treasury believe that it is obviously to the interest of the public and the carriers themselves, as well as the Treasury, that these matters be brought to an early and a final close. I have many times reiterated my belief that every effort should be made to secure final determination of the amounts payable under the guaranty as promptly as may be necessary to meet the exigencies of the carriers. I should suppose it to be to the interest of the carriers, particularly those claiming to be in urgent need of funds, to present to the Interstate Commerce Commission their final claim for the remaining amounts necessary to make good the guaranty in order that the commission may forthwith make a final determination as to such amounts, and that the Treasury may pay them. If, however, Congress shall think it wise that payments out of the Treasury be made before the amounts of the final claims are determined, I should venture to suggest that this may be accomplished by one or the other of the two following methods:

(a) The operation of paragraph (h) of section 209 might be extended by striking out the words in the first sentence, "during the guaranty period," and substituting therefor the words, "prior to the 1st day of July, 1921," or such other day as Congress may deem wise. The employment of this method for the relief of the carriers, in case Congress believes such relief necessary, would have the advantage of extending for such period as may be determined, a procedure which is already established. It would give the Government the benefit of security for repayment with interest of any part of the advances found on final determination of the amount of the guaranty to have been in excess of the amount necessary to make the guaranty good. The provisions of paragraph (h) limit the advances to such sums as are necessary to enable the carrier to meet its fixed charges and operating expenses. Prior to the ascertaining of the final amount necessary to make good the guaranty, there is no reason why there should be paid to the carriers out of the Public Treasury funds for the purpose of enabling them to make dividends. Perhaps the greatest advantage of following this method would be that there would, as to each carrier, as is now the law, remain to be made under paragraph (g) only one certificate, which would necessarily be final and which would, therefore, terminate the proceedings between the carrier and the Government concerning the guaranty.

(b) Paragraph (g) might be amended by inserting a provision authorizing certificates to be made from time to time for partial payments on account of the amount due upon the guaranty. If this method is followed there should also be inserted a provision similar to that in paragraph (h) for an agreement and security to be given by any carrier receiving a partial payment, that in case the amount of the partial payment together with all advances received by the carrier under paragraph (h) shall exceed the amount necessary to make good the guaranty as finally determined, the carrier will repay to the Secretary of the Treasury such excess with interest from the time of the overpayment.

Should either of the methods above suggested be adopted there should be inserted in paragraph (g) a provision that all claims by carrier for any amount necessary to make good the guaranty must, on or before such date as Congress may deem proper, be filed with the Interstate Commerce Commission, together with all supporting accounts upon which the carrier proposes to rely, or be forever completely barred. I venture to suggest that such date be September 1, 1921. This provided a period of 18 months from the return of the roads to private control and of one year from the end of the guaranty period, and affords ample time within which all reasonable claims should be made. The nature and purpose of the guaranty are not such as to require its final adjustment to be held open longer for the purpose of meticulously adjusting it to all private claims which may conceivably later be made upon the carriers, even though such claims might theoretically affect the railway operating income of the carriers during the guaranty period. The transportation act in its present form is unusual in omitting such a provision of limitation. If either of the methods above suggested is adopted for permitting payments on account to be made to the carriers and a provision of limitation is not inserted, the result is likely to be an indefinite delay in making the final certificate provided in paragraph (g), in case the method of amending paragraph (h) is adopted, or the continuing into an indefinite future of the presenting by the carriers of claims under the guaranty if the method is adopted of amending paragraph (g). This last would render it impossible for the Interstate Commerce Commission ever to make a certificate which would be final.

The direction contained in the proposed amendment that the Comptroller of the Treasury countersign a warrant without exercise by him of discretion is at variance with the present structure of the accounting system of the United States and the nature of the duties of the comptroller as provided by statutes of long standing. The

proposed provision would constitute a most undesirable precedent leading toward the disruption of the present accounting system under which warrants are issued by the Secretary of the Treasury and countersigned by the comptroller only upon the auditor's certificate. It can not be supposed that the proposed amendment is intended to direct the Secretary of the Treasury to issue, and the Comptroller of the Treasury to countersign, a warrant pursuant to a certificate issued by the Interstate Commerce Commission if not issued in accordance with law. The Secretary of the Treasury has not hitherto failed to issue a warrant pursuant to a certificate legally made by the Interstate Commerce Commission, nor has the Comptroller of the Treasury failed to countersign a warrant issued under such a certificate. There is no reason to suppose that they will fail to do so in the future. The guaranty provided in section 209 for the six months following the return of the roads to private control is not a compensation for any services rendered by the carriers to the Government or people of the United States which the carriers would not have been bound to render without the guaranty.

The compensation to which the carriers may be entitled for the use of their property during the period of Federal control is adequately provided for elsewhere. I can think of no reason why the claims of the carriers in respect to this bountiful act of the Government should be relieved from the application of the safeguards erected for the benefit of the Government in its accounting system and its usual and orderly procedure for payment of claims in the same manner as such safeguards and procedure are applied to claimants for compensation for property or services rendered the Government. I do not understand that the Interstate Commerce Commission suggests that its acts in connection with the guaranty should not be subjected to the usual scrutiny of the accounting officers of the Government as to legality in the same manner as the acts of the Secretary of the Treasury and all other officers of the Government. If the method is followed of amending paragraph (g) as suggested on page 8 of this letter, the mere insertion in that paragraph of authority to make partial certificates will result in the issue by the Secretary of the Treasury and counter signature by the Comptroller of the Treasury of warrants pursuant to every certificate for a partial payment issued in accordance with law. The proposed mandatory provision directed at the Comptroller of the Treasury appears to be analogous to the futile but world old endeavor of defeated litigants to devise a statutory direction to the judicial officer to decide all cases in their favor.

The provision contained in the proposed amendment for permitting, as the basis of making with the public moneys partial payments to the railroads, the use of mere estimates which shall nevertheless be binding in final settlement deprives the Government of any element of certainty or safety. The estimates can be used only when agreed to by the carrier interested. The carrier can be expected to agree only when the doubt in the estimate is against the Government. For such estimate, although ultimately it might be found to be disadvantageous to the Government, is made binding in final settlement. On the other hand, should the estimate ultimately be found to be less than the amount properly due the carrier, the carrier need only apply for an additional partial payment sufficient to make up to it the difference. In the absence of a limit on the time within which claims may be made by the carrier, the proposed amendment permitting the commission to make more than one certificate on account of payment renders it impossible for the commission to make a certificate which shall be final as against a subsequent claim of the carrier. The reference to final settlement in the last line of the proposed amendment has only the effect of preventing the commission from setting off against such an additional claim by the carrier the amount of any previous overpayment made pursuant to an erroneous estimate. It will be seen that this provision taken together with the first paragraph of the proposed amendment is wholly disadvantageous to the Government and is effective only as an instrument to be used against the Government. It should, therefore, be eliminated.

It has been my understanding of paragraph 209 that by subdivision (3) of paragraph (f) Congress delegated to the commission complete power to determine the amount to be included in operating expenses for maintenance of way and structures or for maintenance of equipment; that the adjustments, restatements, and eliminations of account provided for in section 209 are necessary and usual safeguards properly required by the Government in guaranteeing the results of the operation by the railroads of their business and are for the benefit of the Government and not of the roads; that these provisions do not amount to a mandatory audit by the commission and that the commission may satisfy itself by any method which it sees fit as to the correctness of claims by a carrier for the guaranty. In these circumstances, I believe the commission has wide powers enabling it rapidly to reach final settlement with the carriers. If I am not correct in this understanding of the act, I am strongly of the opinion that broad powers should be conferred upon the commission to make with

any carrier such settlement of its claim under section 209 as the commission may in its discretion approve, provided there may be made with any carrier only one such settlement; and provided further, that such settlement shall be a complete bar to any further claim by the carrier under section 209. I assume such grant of power can be drawn without limiting the great powers already reposed in the commission or investing the carriers with additional claims.

In case, in the opinion of the commission, final settlement with the carriers can be expedited if the appropriations available to it and the staff which it is authorized to employ in the performance of its administrative duties are increased, I should warmly support a request of the commission for the necessary increases of appropriation and staff. I am convinced that if all questions between the carriers and the Government growing out of Federal control and the guaranty can be settled promptly, the necessary payments made, and the chapter of our history finally closed, it will ultimately be an economy for the Government and people of the United States, even though for the sake of accomplishing it somewhat increased expenditures have to be made now in defraying the cost of the administrative work involved and in making liberal settlements.

Section 204 provided for the reimbursement out of the public money to railroads of deficits incurred by them during the period of Federal control while they were not themselves under Federal control. It is my understanding that the purpose of this section was to benefit the short lines which were not taken over by the Director General of Railroads or which were surrendered by him before the end of Federal control. Paragraph (g) as it now stands provides that the Interstate Commerce Commission shall promptly certify to the Secretary of the Treasury the several amounts payable to carriers under section 204. Under this authority the commission had power to make certificates immediately after March 1, 1920. The commission estimated that the amount required would not greatly exceed \$10,000,000. Although more than 10 months have now elapsed since March 1, 1920, the Treasury has received from the commission unqualified certificates for payments to only two carriers, in a total amount of less than \$60,000. The commission has, however, made a number of qualified certificates for partial payments. When one of these was brought to the attention of the Comptroller of the Treasury he decided that under the terms of section 204 the Secretary of the Treasury was not authorized to draw a warrant in favor of the carrier mentioned in the certificate, on the ground that section 204 contained no provision for qualified certificates or partial payments, but only for a single final certificate. I inclose for the information of the committee a copy of the decision of the Comptroller of the Treasury dated October 22, 1920. A copy will also be found at page 156 of the Annual Report of the Secretary of the Treasury for the fiscal year 1920. I understand from the commission that it has been its practice before making even a qualified certificate for a partial payment to require the carrier to present the amount, together with the supporting facts and figures, or its entire claim. It would appear, therefore, that such obstacles as there may be to the immediate issue of final certificates lie in the difficulties encountered by the commission in making the audits deemed by it necessary to satisfy itself as to the correctness of the respective claims. In these circumstances, the bill proposes to amend paragraph (g) so that it shall read as follows:

"(g) The commission shall promptly certify to the Secretary of the Treasury the several amounts payable to carriers under paragraph (f). The Secretary of the Treasury is hereby authorized and directed thereupon to draw warrants in favor of each such carrier upon the Treasury of the United States for the amount shown in such certificates as payable thereto, it being the true intent and meaning hereof that whenever, and as often as, the commission shall certify to the Secretary of the Treasury an amount payable hereunder to any carrier, the Secretary of the Treasury is hereby authorized and directed, upon receipt of such certificates, to draw a warrant in favor of such carrier upon the Treasury of the United States for the amount shown in such certificate as payable to it under this section, whether such amount is in final settlement or in partial payment, and the Comptroller of the Treasury is hereby directed to countersign the same forthwith. The Secretary of the Treasury shall thereupon deliver the said warrant to such carrier, and the Treasurer of the United States is hereby directed to pay the same, upon presentation, out of the appropriation made in this subdivision therefor. An amount sufficient to pay such warrants is hereby appropriated out of any money in the Treasury not otherwise appropriated.

"In ascertaining the several amounts payable hereunder, the commission is further authorized, in the case of debits and credits to railway operating income, which can not at the time be definitely determined, to make, whenever in its judgment practicable, a reasonable estimate of the net effect of any such items, and, when agreed to by the carrier interested, to use such estimate as a definitely ascertained amount in certifying the amounts payable hereunder, and such estimates, so agreed to, shall be binding in final settlement."

In my opinion this amendment should be modified. In view of the nature of the difficulty confronting the Interstate Commerce Commission under this section, I do not understand how it can make partial certificates except by the use of estimates as provided by the second paragraph of the amendment. Since, however, in reaching a determination of the deficit to be reimbursed to any carrier all the items for the entire period involved must be taken together, and since it is proposed that the estimate is to be binding in final settlement, I see no object to be gained by authorizing certificates for partial payment and suggest that the result apparently desired can better be obtained by conferring upon the commission broad power (if it does not already have it) to make with each carrier a final settlement, provided only one such settlement may be made with any carrier, and provided further that a settlement thus made shall be a complete bar to all further claims of the carrier under section 204. If I am not correct in my understanding that all claims under section 204 have been presented, I venture to suggest that Congress fix an early date before which all claims must be presented or be forever barred. The views expressed as to the provisions concerning the Comptroller of the Treasury in the proposed amendment to section 209 apply also to the proposed amendment to section 204. The views expressed as to the authorizing of the use of estimates also apply in part.

Yours, cordially,

D. F. HOUSTON.

HON. JOHN J. ESCH,

*Chairman Committee on Interstate and Foreign Commerce,
House of Representatives.*

*Advances to carriers under section 209 (h) and (i), transportation act, 1920, as amended,
to close of business Jan. 13, 1921.*

Date of payment.	Carrier.	Amount.	Date of payment.	Carrier.	Amount.
1920.			1920.		
Sept. 3	American Railway Express Co.	\$10,000,000	Aug. 21	Boston & Maine R. R.	\$4,000,000
7	do.	9,700,000	Aug. 12	Boyne City, Gaylord & Alpena R. R. Co.	30,000
29	Adirondack & St. Lawrence R. R. Co.	4,929	June 30	Brooklyn Eastern District Terminal	100,000
June 8	Ann Arbor R. R. Co.	100,000	July 27	do.	100,000
Sept. 8	do.	140,000	Nov. 16	do.	20,000
June 30	Aranzas Harbor Terminal Ry.	12,000	Mar. 31	Buffalo, Rochester & Pittsburgh Ry. Co.	320,000
May 18	Atlanta, Birmingham & Atlantic Ry. Co.	150,000	Apr. 9	do.	446,000
June 15	do.	200,000	July 28	do.	300,000
Sept. 7	do.	100,000	Nov. 24	do.	234,000
13	do.	100,000	June 3	Bullfrog-Goldfield R. R. Co.	2,500
Nov. 23	do.	206,000	Oct. 30	do.	5,000
1921.			July 16	Carrollton & Worthville R. R. Co.	2,500
Jan. 5	do.	250,000	Aug. 16	do.	4,000
1920.			Sept. 15	do.	3,000
Apr. 29	Atlanta & St. Andrews Bay Ry. Co.	30,000	Nov. 16	do.	1,500
Sept. 13	do.	15,000	Aug. 27	Central of Georgia Ry. Co.	1,750,000
Dec. 27	do.	10,000	Nov. 13	do.	700,000
1921.			29	do.	350,000
Jan. 13	do.	15,000	1921.		
1920.			Jan. 5	do.	350,000
Sept. 2	Atlantic Coast Line R. R. Co.	2,500,000	1920.		
July 29	Atlantic & Western R. R. Co.	7,000	June 1	Central New England Ry. Co.	457,000
Sept. 25	do.	8,000	June 12	Central New England Ry. Co.	416,000
24	Baltimore, Chesapeake & Atlantic Ry. Co.	159,300	Sept. 1	do.	128,000
Apr. 25	Baltimore & Ohio R. R. Co.	6,500,000	July 22	do.	531,670
Oct. 26	do.	7,500,000	July 20	Central R. R. Co. of New Jersey	1,330,000
Sept. 17	Bangor & Aroostook R. R. Co.	284,000	Aug. 20	do.	1,816,411
Aug. 12	Birmingham & Northwestern Ry. Co.	20,000	Nov. 5	do.	2,000,000
25	do.	8,000	July 6	Central Vermont Ry. Co.	100,000
Sept. 13	do.	5,000	Sept. 29	do.	150,000
			Sept. 16	do.	50,000
			Nov. 23	do.	475,000
			Dec. 22	do.	200,000
			Aug. 30	do.	200,000
				Charleston & Western Carolina Ry. Co.	220,000

AMENDMENT OF THE TRANSPORTATION ACT OF 1920.

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Advances to carriers under section 209 (h) and (i), transportation act, 1920, as amended, to close of business Jan. 13, 1921—Continued.

Date of payment.	Carrier.	Amount.	Date of payment.	Carrier.	Amount..
1920.			1920.		
Sept. 13	Chesapeake & Ohio Ry. Co.	\$1,640,000	June 2	Fort Dodge, Des Moines & Southern R. R. Co.	\$137,500
Nov. 5	do.	1,060,000	Aug. 3	Fourche River Valley & Indian Territory Ry. Co.	12,000
Aug. 3	Chesapeake Western Railway	5,000	Sept. 29	do.	4,500
16	do.	5,000	Aug. 3	Franklin & Pittsylvania R. R. Co.	5,000
Sept. 11	Chicago & Alton R. R. Co., The	700,000	Nov. 24	do.	6,000
2	Chicago & Eastern Illinois R. R. Co.	1,500,000	Aug. 2	Gainesville Midland Ry.	4,300
July 2	Chicago & Erie R. R. Co.	485,000	Nov. 24	do.	7,000
Sept. 28	do.	450,000	Sept. 25	Gainesville & Northwestern R. R. Co.	4,500
Nov. 27	do.	200,000	Nov. 5	do.	3,900
Dec. 15	do.	150,000	June 9	Georgia & Florida Ry.	145,000
Aug. 25	Chicago Great Western R. R. Co.	1,200,000	Aug. 2	do.	150,000
31	do.	500,000	Sept. 16	do.	100,000
Sept. 3	Chicago, Indianapolis & Louisville Ry. Co.	350,000	Dec. 29	do.	50,000
Nov. 6	do.	150,000	June 8	Georgia, Florida & Alabama Ry. Co.	50,000
July 14	Chicago Junction Ry. Co.	250,000	Sept. 17	do.	20,000
29	do.	250,000	17	do.	20,000
Sept. 1	do.	500,000	July 3	Great Northern Ry. Co.	3,000,000
July 7	Chicago, Milwaukee & Gary Ry. Co.	28,534	Sept. 22	do.	2,000,000
Aug. 21	do.	28,163	Nov. 23	do.	1,500,000
Sept. 8	do.	35,000	Apr. 21	Gulf, Florida & Alabama Ry. Co.	75,000
May 29	Chicago, Milwaukee & St. Paul Ry. Co.	2,265,000	June 9	do.	25,000
June 30	do.	4,340,000	July 6	do.	75,000
July 14	do.	493,000	Aug. 27	do.	25,000
29	do.	728,245	Dec. 20	do.	35,000
Aug. 23	do.	4,935,457	July 6	Gulf, Mobile & Northern R. R. Co.	100,000
Sept. 10	do.	1,536,000	31	do.	100,000
Aug. 13	Chicago, Peoria & St. Louis R. R. Co.	76,000	Aug. 23	do.	141,000
Sept. 21	do.	162,000	30	do.	112,000
Aug. 28	Chicago River & Indiana R. R. Co.	75,000	Sept. 16	do.	75,000
28	Chicago, St. Paul, Minneapolis & Omaha Ry. Co.	900,000	22	Gulf & Ship Island R. R. Co.	245,000
Sept. 8	Cincinnati, Indianapolis & Western R. R. Co.	50,000	June 4	Gulf, Texas & Western Ry. Co.	45,000
13	do.	100,000	July 15	do.	20,000
June 8	Cumberland & Manchester R. R. Co.	8,000	Aug. 5	do.	30,000
May 3	Delaware & Hudson Co.	750,000	Sept. 29	Hawkinsville & Florida Southern Ry. Co.	65,000
July 15	do.	630,000	30	Huntingdon & Broad Top Mountain R. R. & Coal Co.	82,715
June 2	do.	815,000	Aug. 25	Illinois Central R. R. Co.	3,000,000
June 29	Delaware, Lackawanna & Western R. R. Co.	1,142,000	28	do.	5,000,000
July 29	do.	1,172,500	Apr. 29	International & Great Northern Ry. Co.	365,000
29	do.	110,000	Sept. 13	do.	1,000,000
Sept. 10	do.	2,000,000	Oct. 30	do.	450,000
Oct. 27	do.	700,000	Aug. 30	Jefferson & Northwestern Ry.	15,000
July 2	Delaware & Northern R. R. Co.	3,500	Nov. 23	do.	15,000
Aug. 12	do.	15,000	Sept. 25	Kansas, Oklahoma & Gulf Ry. Co.	100,000
Dec. 29	do.	13,000	Dec. 27	do.	42,000
Apr. 2	Denver & Salt Lake R. R. Co.	215,000	May 3	Kansas City, Mexico & Orient Ry. Co. of Texas.	89,000
June 30	do.	160,000	July 2	do.	154,000
Sept. 24	do.	50,000	Sept. 7	do.	110,000
May 27	Detroit, Bay City & Western R. R. Co.	25,000	8	do.	117,000
June 23	do.	25,000	May 7	Kansas City, Mexico & Orient R. R. Co., receiver of	120,000
July 26	do.	15,000	July 5	do.	126,000
Sept. 13	do.	25,000	Sept. 30	do.	50,000
Aug. 16	Detroit Terminal R. R. Co.	100,000	Dec. 1	do.	150,000
Sept. 22	Duluth, South Shore & Atlantic Ry. Co.	281,500	Sept. 8	Kansas City Southern Ry. Co.	600,000
May 4	Electric Short Line Ry. Co.	25,000	May 11	Lehigh Valley R. R. Co.	500,000
July 6	do.	20,000	25	do.	1,500,000
June 30	Erie R. R. Co.	3,615,000	July 13	do.	1,500,000
July 30	do.	1,150,000	Sept. 8	do.	2,000,000
Sept. 7	do.	5,500,000	Nov. 23	do.	1,500,000
Nov. 29	do.	2,000,000	Sept. 11	Louisville & Nashville R. R. Co.	2,000,000
Aug. 10	Fernwood, Columbia & Gulf R. R. Co.	15,000	Aug. 3	Macon, Dublin & Savannah R. R. Co.	50,000
28	do.	10,000	July 13	Maine Central R. R. Co.	1,000,000
Sept. 17	do.	10,000			

Advances to carriers under section 209 (h) and (i), transportation act, 1920, as amended, to close of business Jan. 13, 1921—Continued.

Date of payment.	Carrier.	Amount.	Date of payment.	Carrier.	Amount.
1920.			1920.		
Aug. 24	Maine Central R. R. Co.	\$750,000	June 16	Pennsylvania R. R. Co.	\$8,000,000
Nov. 10	do.	550,000	July 28	do.	6,600,000
July 13	Marion & Rye Valley Ry. Co.	5,250	Aug. 18	do.	30,000,000
Sept. 24	Maryland, Delaware & Virginia Ry. Co.	85,000	Sept. 8	do.	8,400,000
June 8	Memphis, Dallas & Gulf R. R. Co.	50,000	11	Peoria & Pekin Union Ry. Co.	225,000
July 29	do.	25,000	Nov. 23	do.	20,500
Aug. 12	do.	15,000	Sept. 15	Philadelphia & Reading Ry. Co.	2,500,000
30	Meridian & Memphis Ry. Co.	20,000	Nov. 16	do.	2,000,000
May 19	Midland Ry.	20,000	Dec. 9	do.	1,000,000
Aug. 24	do.	10,000	Sept. 1	Pittsburgh, Cincinnati, Chicago & St. Louis R. R. Co.	6,100,000
Oct. 30	Mineral Range R. R. Co.	70,000	June 12	Pittsburgh & West Virginia Ry. Co.	100,000
May 13	Minneapolis & St. Louis R. R. Co.	250,000	Sept. 13	do.	75,000
June 14	do.	300,000	July 7	Randolph & Cumberland Ry. Co.	7,500
July 16	do.	150,000	Aug. 20	do.	2,500
Sept. 1	do.	850,000	Nov. 6	do.	5,000
Nov. 5	do.	200,000	Sept. 8	Rapid City, Black Hills & Western R. R. Co.	12,000
July 27	Minneapolis, St. Paul & Sault Ste. Marie Ry. Co.	1,000,000	June 30	Rutland R. R. Co.	125,000
Sept. 10	do.	2,135,000	July 14	do.	125,000
20	Missouri, Kansas & Texas Ry. Co.	700,000	1921.		
20	Missouri, Kansas & Texas Ry. Co. of Texas, receiver of.	2,870,000	Jan. 10	do.	125,000
May 6	Missouri & North Arkansas R. R., receiver of.	150,000	11	San Antonio, Uvalde & Gulf R. R. Co.	25,000
19	do.	50,000	May 25	Seaboard Air Line Ry. Co.	1,200,000
Sept. 11	do.	100,000	July 2	do.	750,000
Aug. 2	Missouri Pacific R. R. Co.	1,383,000	31	do.	1,000,000
30	do.	7,100,000	Aug. 31	do.	3,500,000
Dec. 31	do.	1,000,000	Nov. 16	do.	75,000
June 1	Mobile & Ohio R. R. Co.	550,000	July 22	Shearwood Ry. Co.	1,500
Aug. 12	do.	400,000	22	do.	1,000
Sept. 7	Monson R. R. Co.	3,000	Nov. 10	Spokane, Portland & Seattle Ry. Co.	200,000
Aug. 12	Mount Jewett, Kinzua & Riterville R. R. Co.	4,500	Sept. 22	St. Joseph & Grand Island Ry. Co.	220,000
Aug. 27	do.	1,500	Aug. 30	St. Louis-San Francisco Ry. Co.	3,000,000
Nov. 26	do.	3,000	31	Terminal Railroad Association of St. Louis.	1,000,000
Aug. 27	Muscataine, Burlington & Southern R. R. Co.	36,000	Dec. 20	do.	140,000
Dec. 13	do.	10,000	June 21	Trinity & Brazos Valley Ry. Co.	205,000
Aug. 20	Nashville, Chattanooga & St. Louis Ry., The.	300,000	Sept. 15	do.	75,000
30	do.	900,000	Dec. 1	Union Stock Yards Co. of Omaha (Ltd.)	65,000
June 3	Nevada Copper Belt R. R. Co.	10,000	July 16	Virginia Southern R. R. Co.	4,500
July 14	do.	10,000	May 1	Wabash Ry. Co.	1,000,000
Aug. 27	do.	5,000	July 12	do.	2,000,000
Sept. 13	do.	5,000	Sept. 10	do.	1,577,000
7	New Orleans, Texas & Mexico Ry. Co.	500,000	Nov. 5	do.	500,000
May 19	New York, New Haven & Hartford R. R. Co.	923,000	June 25	Waterloo, Cedar Falls & Northern Ry. Co.	85,000
June 9	do.	2,504,000	Sept. 20	Western Maryland Ry. Co.	500,000
Sept. 10	do.	771,200	Oct. 27	do.	500,000
10	do.	4,000,000	Sept. 16	Wheeling & Lake Erie Ry. Co., The.	500,000
16	do.	2,366,000	May 4	Wichita Northwestern Ry. Co.	15,000
24	New York, Philadelphia & Norfolk R. R. Co.	256,000	June 12	do.	5,000
2	New York, Susquehanna & Western R. R. Co.	300,000	July 12	do.	5,000
29	do.	250,000	Aug. 30	do.	5,000
24	Norfolk & Portsmouth Belt Line R. R. Co.	30,900	Dec. 18	do.	5,000
July 27	Norfolk Southern R. R. Co.	310,000	Sept. 20	Wichita Falls & Northwestern Ry. Co., receiver of.	138,000
Aug. 24	do.	240,000	20	do.	74,800
Sept. 21	do.	75,000	20	do.	75,000
Nov. 13	do.	75,000	2	Wilkes-Barre & Eastern R. R. Co.	40,000
July 29	Norfolk & Western Ry. Co.	1,000,000	29	do.	100,000
Aug. 16	do.	1,000,000	June 30	Winston-Salem Southbound Ry. Co.	30,000
Sept. 1	do.	4,000,000	Dec. 24	do.	70,000
18	Northern Pacific Ry. Co.	5,000,000			
July 15	Ocella Southern R. R. Co.	8,000			
Aug. 30	Paris & Mt. Pleasant R. R. Co.	50,000		Total to close of business, Jan. 13, 1921...	260,431,871